

# Recycler Operating & Recordkeeping Manual





STATE OF CALIFORNIA  
DEPARTMENT OF CONSERVATION  
DIVISION OF RECYCLING

## RECYCLER OPERATING AND RECORDKEEPING REQUIREMENTS

### PREFACE

This training manual has been prepared by the Department of Conservation, Division of Recycling for operators of recycling centers that are certified as participants of the California Beverage Container Recycling and Litter Reduction Act (Act).

This manual is designed to assist operators of certified recycling centers in understanding the primary operating requirements of the Act and Title 14 of the California Code of Regulations (14CCR or Regulations). This manual is intended to act as a reference tool on how to apply the recordkeeping and accounting requirements to the day to day operations of a recycling center. IT IS NOT INTENDED TO REPLACE THE ACT OR REGULATIONS. References to the Act and Regulations are given throughout this manual. Please note that these may change with each revision of the Act and/or Regulations. **WHILE EFFORTS HAVE BEEN MADE TO ENSURE ACCURACY, ANY ERRORS OR OMISSIONS IN THE MANUAL DO NOT NEGATE THE RIGHTS AND DUTIES OF THE PROGRAM PARTICIPANTS AS DETAILED IN THE ACT OR REGULATIONS. IF THERE ARE ANY INCONSISTENCIES BETWEEN THIS MANUAL AND THE ACT AND/OR REGULATIONS, THE MANUAL'S LANGUAGE WILL BE DEEMED VOID, AND THE ACT AND/OR REGULATIONS, WILL BE CONTROLLING. IT IS THE RECYCLER'S RESPONSIBILITY TO KNOW AND FOLLOW ALL REGULATIONS, INFORMATION, AND NOTICES SUPPLIED TO YOU BY THE DEPARTMENT TO ASSURE YOUR FULL COMPLIANCE.**

This training manual deals primarily with purchase and recordkeeping procedures, and the supporting documentation that is needed to prepare shipping reports. For specific instructions on how to complete shipping reports, or how to file amended or supplementary reports, please refer to the Participant Manual for Certified Recycling Centers and Certified Processors. The Manual is also listed on the California Department of Conservation website at [www.consrv.ca.gov](http://www.consrv.ca.gov). If you need to obtain an additional copy of the Participant Manual for Certified Recycling Centers and Certified Processors you must submit a request in writing to: IKON Business Information Services (IKON), P.O. Box 277937, Sacramento, CA 95827. You may also send a facsimile request to (916) 638-0909.

If you have any questions relating to the requirements contained in this Recycler Operating and Recordkeeping Manual, or any other questions relating to the California beverage container recycling program, please contact your local field Office (see page I.1 of this manual for addresses and phone numbers).

## CONTENTS

### I. GENERAL INFORMATION

RECYCLING RESOURCES LIST .....	1
NOTIFICATION REQUIREMENTS .....	2-3
SIGNAGE REQUIREMENTS .....	4-5

### II. INSPECTION AND PURCHASE PROCEDURES

A. BEVERAGE CONTAINER ELIGIBILITY DETERMINATION .....	1-2
B. BASIS DETERMINATION .....	3-5
C. OUT-OF-STATE VEHICLES .....	6
D. LOADS OF ALUMINUM CONTAINERS IN EXCESS OF 250 POUNDS .....	6-7
E. DAILY ALLOWABLE LIMITS / SPLIT LOADS .....	8
F. OFF-SITE PURCHASES .....	9
G. REJECTED CONTAINERS .....	10
H. DUAL CERTIFIED ENTITIES .....	10

### III. PREPARATION AND MAINTENANCE OF REQUIRED RECORDS

A. RECEIPT AND LOGS	
1) Receipt - transactions $\geq$ \$100.00 in refund value .....	1
Sample Receipt .....	2
Receipting scrap only transactions (rejected, out-of-state, etc.) .....	3
Receipting off-site purchases .....	3
Additional receipting requirements .....	3
2) Log sheet- transactions < \$100.00 in refund value .....	4
Recording Anonymous Donations .....	4
Calculating/ Recording Shrinkage .....	4-5
Sample Log Sheet .....	6-7

DEPARTMENT OF CONSERVATION  
DIVISION OF RECYCLING  
**RECYCLER OPERATING & RECORDKEEPING MANUAL**

<b>B.</b>	<b>DAILY SUMMARY REPORTS</b>	<b>8</b>
1)	Refund Value Calculation	9
2)	Redemption Weight Calculation	10
	Sample Daily Summary	11-12
3)	Converting Counted Purchases to Weight	13-14
<b>C.</b>	<b>SHIPPING REPORTS (DR-6)</b>	<b>15-18</b>
<b>D.</b>	<b>WEIGHT TICKETS</b>	<b>19</b>
<b>E.</b>	<b>CANCELLATION AUTHORIZATION AND PROOF OF CANCELLATION</b>	<b>20-21</b>

**IV. CONSOLIDATED SHIPPING REPORT**

<b>A.</b>	<b>CONSOLIDATED SHIPPING REPORTS</b>	<b>1-3</b>
-----------	--------------------------------------	------------

**V. GLOSSARY** ----- **1-3**

# I. General Information



# Recycling Contact List



## IF YOU HAVE A QUESTION REGARDING:

<ul style="list-style-type: none"> <li>• Certificates, certification signs and decals</li> <li>• Operational and notification requirements for certified recycling centers, processors, dropoff or collection programs, community service and neighborhood drop-off programs (changes in operation, name, address, phone number, hours of operation)</li> </ul>	<b>Certification Section</b> 801 K Street, MS15-59 Sacramento, CA 95814-3533 (916) 324-8598 FAX (916) 323-4907
<ul style="list-style-type: none"> <li>• Complaints about non-certified and certified recyclers</li> <li>• Predatory pricing complaints</li> <li>• Recycler and processor training</li> <li>• Approval of consolidated shipping report methods</li> </ul>	<b>Recycler Training &amp; Review Section</b> Sacramento: (916) 323-3008 Los Angeles: (310) 342-6111 San Diego: (619) 525-4276
<ul style="list-style-type: none"> <li>• Notices of Non-Compliance / Tickets</li> <li>• Recycler inspection procedure training</li> </ul>	<b>Recycler Inspections Section</b> (916) 323-3008
<ul style="list-style-type: none"> <li>• Curbside recycling and registration numbers</li> <li>• Approval of alternative methodology</li> <li>• Curbside supplemental payments</li> </ul>	<b>Curbside Section</b> (916) 323-3008
<ul style="list-style-type: none"> <li>• Location of nearest beverage container recycling center</li> </ul>	<b>1-800-RECYCLE or</b> Certification Technician (916) 324-8598
<ul style="list-style-type: none"> <li>• Payments, invoices, shipping report inquiries on specific claims</li> <li>• Additional supplies of:                                 <ul style="list-style-type: none"> <li>• Shipping Reports (DR-6)</li> <li>• Handling Fee application (DR-14) forms</li> </ul> </li> </ul>	<b>IKON Business Information Services</b> 3062 Prospect Park Drive, suite A Sacramento, CA 96570 (916) 852-1010 FAX (916) 638-0909
<ul style="list-style-type: none"> <li>• Convenience zones</li> <li>• <b>Handling Fees</b> – Supermarket sites, non-profit convenience zone recycler, rural region recycler</li> <li>• Status of HF payments</li> <li>• Dealer Exemptions</li> </ul>	<b>Convenience Zone Section</b> (916) 322-4867 FAX (916) 323-4574  (916) 322-5689 or (916) 322-4166 (916) 322-0195
<ul style="list-style-type: none"> <li>• Beverage Manufacturer and Distributors</li> </ul>	<b>Client Services Section</b> (916) 323-3263
<ul style="list-style-type: none"> <li>• Information on individualized commingled rates</li> </ul>	<b>Field Survey Section</b> (916) 323-0783
<ul style="list-style-type: none"> <li>• Scales – requirements to be certified or “sealed”</li> </ul>	<b>State Department of Food and Agriculture</b> (916) 229-3000 Your County Office: _____
<ul style="list-style-type: none"> <li>• Grants for recycling and litter abatement to organizations, governmental agencies, school districts, individual schools, special districts, joint powers’ authorities and community conservation corps</li> </ul>	<b>Grants/ Regional Recycling Assistance Section</b> (916) 322-0613 FAX (916) 322-8758
<ul style="list-style-type: none"> <li>• Quality Glass Incentive Payments</li> </ul>	<b>Market Research Branch</b> (916) 445-0680
<ul style="list-style-type: none"> <li>• Recycled aluminum, PET, glass and steel market information “Market Connection” – Directory of equipment suppliers, brokers, products made from recycled beverage container materials and affiliated industry organizations</li> </ul>	<b>Market Development Section</b> (916) 323-5878 FAX (916) 445-0645

## Receipts/Logs, Payments, Reporting & Audits – Contact the Field Offices Below:

### Sacramento Field Office

801 K Street, MS 15-51

Sacramento, CA 95814

(916) 327-2792 • FAX: (916) 323-4574

### Los Angeles Field Office

5777 W. Century Blvd., Ste. 1555

Los Angeles, CA 90045

(310) 342-6100 • FAX: (310) 342-6105

### San Diego Field Office

1350 Front Street, Room 6006

San Diego, CA 92101

(619) 525-4274 • FAX: (619) 525-4270

## **A. NOTIFICATION REQUIREMENTS - 14CCR Section 2505**

Operators of certified recycling centers must notify the Division of Recycling (Division) in writing ten (10) calendar days PRIOR to any of the following events:

- The business name of the recycling center changes,
- The recycling center moves to another location, the mailing address of the recycling center has changed, or the **phone number** of the operator of the recycling center has changed,
- There is a separation from the parent company, if applicable,
- Merger with another company (change of ownership or change in type of organization),
- Dissolution of the organization type identified in the application for certification,
- The recycling center closes or discontinues operations. If you intend to decertify your recycling center, you must indicate the proposed date of decertification,
- There is a change in the type of redeemable beverage containers accepted (i.e., if you are grandfathered and will not accept other material types),
- Any change in the **hours of operation** as presented in the application for certification or by subsequent written notification to the Division. This includes closures for holidays, etc. It is suggested that the holiday schedule be submitted in writing at the beginning of the year in which you are first certified. If your holiday schedule changes, please submit a new schedule prior to the change,
- If your recycling center has reverse vending machines, you must notify the Division if there is a change in the approved method in which the machine redeems empty beverage containers that are odd-sized, made of materials other than aluminum, glass, plastic, or otherwise not accepted,
- Any change in the agent for service or process,

DEPARTMENT OF CONSERVATION  
DIVISION OF RECYCLING  
**RECYCLER OPERATING & RECORDKEEPING MANUAL**

- If there is a change in the type of organization (i.e., sole proprietorship becomes a partnership, etc.),
- If the name of the **contact person** has changed,
- If there is a change in the name of the corporate officers, or
- If there is a change in the name of the organization.

If you operate a recycling center at a supermarket location, you must notify the Division in writing, within ten (10) working days if the supermarket or dealer closes. Also, if the recycling center moves within the supermarket or dealer parking lot, you must notify the Division in writing within five (5) calendar days of the move.

For questions regarding notification requirements and any other issues regarding certification, please call the Certification Section at (916) 323-3008. You may also call this number for assistance from a Spanish-speaking person. Written notification for anything other than temporary closures should be sent to the following address or FAX number:

Department of Conservation, Division of Recycling  
Certification Services Branch, Certification Services Section  
801 K Street, MS 15-59  
Sacramento, CA 95814-3533

FAX: (916) 323-4907





# Sign Requirements for Staffed Recycling Centers

## 1) “CERTIFICATION SIGN” [Section 2065(a)]

**PURPOSE:** This sign is provided by the Department of Conservation, Division of Recycling once the facility becomes operational.

**LOCATION:** Shall be prominently displayed where it can be viewed by customers approaching the recycling center.

## 2) “OPEN FOR BUSINESS” [Section 2500(b)]

**PURPOSE:** This sign must identify, for customers, that you are open for business.

**SIZE:** Two feet by two feet (2' x 2') or 576 square inches (minimum size).  
The word “**Open**” must be in letters at least ten inches (10”) tall.

**LOCATION:** Shall be prominently displayed where it can be viewed by customers approaching the recycling center.

## 3) “HOURS OF OPERATION” [Section 2500(e)(1)]

**PURPOSE:** This sign must identify, for customers, the hours during which your facility is open for business.

**SIZE:** No size requirements.

**LOCATION:** Must be in a conspicuous place, easily viewed by your customers. For obvious reasons, a sign indicating your hours should be visible when your facility is not open. If this cannot be accomplished with one sign, you should consider using two “hours of operation” signs.

## 4) “PRICE” [Section 2500(e)(2)]

**PURPOSE:** This sign must identify, for customers, the prices paid for each material type, and provide information about adjustment of payment for contaminated or commingled loads. (See “Additional Required Wording” below.)

**SIZE:** Two feet by two feet (2' x 2') or 576 square inches.

**LOCATION:** At the site where the weighing takes place.

**ADDITIONAL REQUIRED WORDING:** Refund is not paid for packaging, contamination such as dirt or moisture, nor beverage containers not properly labeled with the “**California Redemption Value**”, “**CA Redemption Value**”, “**California Cash Refund**”, “or **CA CRV** message.”

- This recycler will discount the refund value, and may discount scrap value for loads of containers which include nonredemption material.
- The consumer has the right to:
  - a. Accept a discounted refund and/or scrap price.
  - b. Separate refund from nonrefund material.
  - c. Take material back.

Note: The three signs (“Open for business”, “Hours of Operation”, and “Price”) may be combined into one sign, provided that the sign meets all of the above individual requirements.

**A sample price sign is shown on the following page**

# California Certified Recycler

**CRV per container**  
**UNDER 24 OZ**    **24 OZ & OVER**  
 \$0.04/ea.    \$0.08/ea.

**FULLY  
 SEGREGATED  
 PER POUND**

**COMMINGLED  
 PER POUND**

**MATERIAL TYPE**

**ALUMINUM**

**GLASS**

**BIMETAL**

**PLASTICS**

- #1 PETE (polyethylene terephthalate)
- #2 HDPE (High Density Polyethylene)
- #3 PVC (Vinyl)
- #4 LDPE (Low Density Polyethylene)
- #5 PP (Polypropylene)
- #6 PS (Polystyrene)
- #7 OTHER (Includes multilayer and unspecified resins)

- Refund is not paid for packaging, contamination such as dirt or moisture, nor beverage containers not properly labeled with the "California Redemption Value", "CA Redemption Value", "California Cash Refund", "CA Cash Refund", or "CA CRV" message.

- This recycler will discount the refund value, and may discount scrap value for loads of containers which include nonredemption material.

- The consumer has the right to:
  - a. Accept a discounted refund and or scrap price.
  - b. Separate refund from non-refund material.
  - c. Take material back.

(Note: If you do not purchase commingled material you do not need to post commingled prices)

\$1.24

\$0.081

\$0.33

\$0.69

\$0.41

\$0.45

\$1.66

\$0.44

\$2.78

\$0.49

\$0.59

\$0.22

Segregated Only

Segregated Only

Segregated Only

Segregated Only

Segregated Only

**REFUND VALUES AS OF 1/1/06**

**REFUND VALUES SUBJECT TO CHANGE**

## II. Inspection & Purchase Procedures



## **A. BEVERAGE CONTAINER ELIGIBILITY DETERMINATION - 14CCR**

### **Section 2501**

When material is received from customers, the recycling center attendant ***MUST*** determine if it is eligible for refund value, and if so, a determination must be made regarding the California Refund Value (CRV) content of the load.

### **AN EMPTY BEVERAGE CONTAINER IS ELIGIBLE FOR REFUND VALUE IF ALL OF THE FOLLOWING REQUIREMENTS ARE SATISFIED:**

1. **The container is made of aluminum, glass, plastic or bimetal** (Plastic container types are distinguished by code numbers 1 through 7 indicated inside the “swirling arrows” triangle on the bottom of each plastic container. Unidentified resins (no “swirling arrows” triangle on container) should be receipted as code 7, OTHER).
2. **The container has been opened** (the seal or closure installed by the manufacturer has been broken or removed.)
3. **Contamination has been removed** (does not contain foreign materials such as rocks, sand, cigarettes, etc., other than the residue of the beverage originally packaged in the beverage container by the manufacturer). Refund value is not payable for excess moisture and/or residue. If the material is dirty or otherwise contaminated, be sure to either reduce the amount of refund value paid or tell the consumer to take the material back. (see page III.5 for shrinkage example).

NOTE: If the load is contaminated, the recycler or seller should attempt to remove any visible debris. For remaining contamination that cannot be removed, such as dirt or moisture, the recycler should estimate the percent of contamination or shrinkage in the load and, if the seller agrees to a reduced price, reduce the payment rate by this percentage. The customer must be made aware of the deduction to ensure their right to take back the containers.

#### **4. The CRV message is on the beverage container**

- California Redemption Value
- CA Redemption Value
- California Cash Refund
- CA Cash Refund
- CA CRV

(This message must be printed or embossed on the container, or a clear stamp or label must be affixed to the container. Aluminum cans and bi-metal containers typically have the message on the lid of the container. Glass bottles and plastic bottles usually have the message on the product label.)

NOTE: If you receive containers that are labeled but do not contain an eligible beverage product, please pay the consumer the CRV payment appropriate for the material type and size of container (see below). If the container is labeled, the customer probably paid the redemption payment when purchasing the beverage. As such, they should be reimbursed.

If this situation occurs at your recycling center, please contact your local field office immediately. You will be requested to provide the Division personnel with the product name and manufacturer and any other identifying information about the product that is available. (See I.1 for a list of addresses and phone numbers of the Division of Recycling Field Offices.)

Please refer to the Department of Conservation's website for examples of beverage containers that are "in" and "out". The address is: **[www.consrv.ca.gov](http://www.consrv.ca.gov)**

Once at the website, select the link to [Beverage Container Recycling](#) and click on [CRV Product Listing](#).

You may also call your local field office (numbers on page I.1 of this manual) or call 1-800-RECYCLE (1-800-732-9253) for additional information.

## **AN EMPTY BEVERAGE CONTAINER IS NOT ELIGIBLE FOR REFUND VALUE IF:**

1. There are pieces of broken densified **bales**, or **biscuits** of aluminum or plastic.
2. **Rejected containers** (see V.3 for a definition of rejected containers).
3. **Out-of-state material**, whether labeled with the CRV message or not.
4. **Line breakage** (see V.1 for a definition of line breakage).

Please also refer to Section II.6 of this manual for instructions when customers arrive in vehicles with license plates other than those issued in California.

## **B. BASIS DETERMINATION**

The material presented for recycling **MUST** be removed from the bag, box, shopping cart, or other receptacle that was used to transport the material to the recycling center. The purpose of this is to assist the attendant in performing adequate inspection procedures. Adequate inspection procedures include looking at the container and determining whether the containers are eligible for refund value by checking for the four elements below.

- CONTAINER HAS A REFUND VALUE ESTABLISHED
- CONTAINER HAS BEEN OPENED
- CONTAMINANTS HAVE BEEN REMOVED
- CONTAINER HAS CRV MESSAGE

### **1. Is the material 100% CRV?**

If so, the basis for payment is either **SEGREGATED AND WEIGHED (SW)** or **SEGREGATED AND COUNTED (SC)**. If the customer has 50 containers or less, of each material type, they can request that you count the containers rather than weigh them and you must comply.

### **2. Is there a mix of CRV and non-CRV containers of the same material type (with no previously baled, out-of-state, rejected, or line breakage containers in the load)?**

If so, the basis for payment is **COMMINGLED (C)**. If these containers of the same material type are separated, one portion of the load may be purchased as segregated, and the remainder purchased as scrap (**You may not indicate segregated and commingled for the same transaction.**) A separate weight for each basis must be obtained. (For example, CRV PETE and non-CRV PETE could be shown as two line items on the receipt or log. The basis for payment for the CRV bottles would be segregated; the basis for the non-CRV bottles would be scrap.)

Regardless of whether the commingled load is below or above the statewide average, the commingled CRV rate to be paid is the rate published on the rate sheets provided by the Division. For example, if the commingled rate for glass is 84%, and the load presented contains approximately 50% CRV containers, you should pay the statewide commingled rate of 84%. An exception to this is when the load of material is completely non-CRV containers or has been artificially arranged

to include a small amount of CRV material to make a non-CRV load eligible for CRV at the commingled rate. In this case, the CRV container(s) should be separated and paid at the segregated rate. The balance of the load could be accepted as non-CRV for which a scrap price may be paid. An alternative would be accept the entire load as non-CRV or ask the customer to take the material back.

Please note that different colors of glass may be treated separately for sorting, storage, sales, and recordkeeping purposes only (on the receipt, log, summary, shipping report). However, when determining the basis for payment, **glass is glass**. If green glass and flint are delivered, you may not pay a segregated rate for the green and a commingled rate for the flint. The commingled rate would be paid on the total weight of the glass accepted. You may also separate the glass (regardless of color) into CRV glass and non-CRV glass and record it as two line items on the receipt or log. The basis for payment for the CRV bottles would be segregated; the basis for the non-CRV bottles would be scrap.

NOTE: If broken glass is received, **AND** it can be determined that some parts of the bottles are CRV labeled, **AND** you are certain the material is not out-of-state, rejected, or line breakage, the basis for payment should be indicated as **COMMINGLED**.

If the glass bottles are broken and the material is from out-of-state, rejected, or line breakage, *or* if it cannot be determined that the containers were labeled with the California refund message, the basis for payment would be **SCRAP**, not commingled.

Please note that each plastic resin type is a separate material type and must be handled and receipted accordingly. For example, a mix of PETE and HDPE is not commingled, but rather two separate materials. Each material type must be separately identified on the receipt, log, daily summary and shipping report.

**3. Are the containers presented for recycling non-CRV containers?**

If so, the basis for payment is **SCRAP (SP) OR Non-CRV**. If the containers do not qualify for CRV as indicated above, **AND** the containers are from out-of-state, rejected, or line-breakage, this additional indication must be included on the receipt. Only scrap containers that do not fall in the categories mentioned (i.e. out-of-state, rejected, or line-breakage) may be recorded on a log sheet.

Materials from airlines, passenger trains, or cruise ships are to be handled as non-CRV, California post-consumer scrap, regardless of the container markings (i.e., CRV label). These containers may be delivered by the carrier company, their personnel, or by collection programs.

NOTE: The basis for payment is required on all receipts and logs for beverage containers, regardless of whether or not refund value is paid (donations and scrap material).



## **C. OUT-OF-STATE VEHICLES - 14CCR Section 2501(b)(3)(B) and 2501(d)**







In order to accommodate tourists and out-of-state residents who shop and **purchase their beverages in California**, recyclers may pay refund value to customers delivering a load of material in a vehicle with an out-of-state license plate, provided that person is not a noncertified recycler, and the total refund value payable is \$50.00 or less. If these conditions are not satisfied, NO REFUND VALUE IS PAYABLE.

You must consider the refund value paid for ALL materials purchased from the same customer. Add up the refund value for ALL material types (aluminum, glass, plastic by resin type, and bimetal) to ensure that the refund value is \$50.00 or less.

It is the recycler's responsibility to inspect the containers thoroughly. If you encounter a questionable load of material, please immediately contact your local Division of Recycling field office listed on page I.1 of the manual.

## **D. LOADS OF ALUMINUM IN EXCESS OF 250 POUNDS - 14CCR Section 2530(i)**

All aluminum beverage container transactions (scrap and CRV) that weigh more than 250 pounds must be reported to the Division on a weekly basis. You may either make a legible copy of the receipt, or record each transaction on a log (sample on following page). The form should not include transactions between certified recycling operations. The form must include:

-  THE RECYCLER'S FACILITY NAME, ADDRESS AND CERTIFICATION NUMBER
-  THE CUSTOMER'S NAME
-  THE ADDITIONAL IDENTIFYING INFORMATION OBTAINED (SEE III.1)
-  THE DATE YOU RECEIVED THE MATERIAL
-  THE TOTAL POUNDS PURCHASED
-  THE TOTAL AMOUNT PAID (REFUND VALUE PLUS ANY SCRAP PAYMENT)

The form or copies of the receipts must be sent to:  
Department of Conservation – Division of Recycling  
Investigations Branch  
801 K Street, MS 15-52  
Sacramento, CA 95814-3533

You may also FAX the information to (916) 323-0732

*(A sample format is on the following page)*

# LOG OF ALUMINUM TRANSACTIONS OVER 250 POUNDS

RC CERTIFICATION NUMBER: \_\_\_\_\_ Date From \_\_\_\_\_ To \_\_\_\_\_  
 CERTIFIED RECYCLER NAME: \_\_\_\_\_ PHONE: \_\_\_\_\_  
 ADDRESS: \_\_\_\_\_  
 CITY, STATE ZIP: \_\_\_\_\_

CUSTOMER NAME ADDRESS, CITY, AND STATE	TRANSACTION DATE	RECEIPT NUMBER	WEIGHT	TOTAL PAID	VEHICLE LICENSE & STATE OR DRIVERS LICENSE NUMBER
					VL:
					DLN:
					VL:
					DLN:
					VL:
					DLN:
					VL:
					DLN:
					VL:
					DLN:
					VL:
					DLN:
					VL:
					DLN:
					VL:
					DLN:
					VL:
					DLN:

MAIL INFORMATION WEEKLY TO : DIVISION OF RECYCLING  
 801 K STREET, MS 15-52  
 ATTN: KIM BRYANT  
 SACRAMENTO, CA 95814  
 FAX: (916) 324-5074

Department of Conservation Revised 01/01/03  
 (SAMPLE)

## **E. DAILY ALLOWABLE LIMITS - SPLIT LOADS - 14CCR Section 2535(f)**

A certified recycler cannot pay refund value to or claim refund value from any person, operation, or entity who is not certified by this Division (non-certified recycler) that brings in more than **2,500** pounds of glass, **500** pounds of aluminum, or **500** pounds of plastic in one day. Note: A certified recycler may accept up to 500 pounds of each plastic resin type (#1-#7) as they are considered separate material types for purchase and recordkeeping purposes.

If a load exceeding the daily allowable weights is offered for sale, recyclers may not pay more than scrap value for the ENTIRE load. For example: If 540 pounds of aluminum is presented for recycling, it is not permissible to accept 499 pounds of aluminum and pay refund value and accept the remaining 41 pounds for scrap. The entire load must be either rejected or paid at scrap rates only.

Recyclers should also implement procedures to track multiple deliveries by the same person in one day. Assurances should be made that customers are not attempting to circumvent the regulations by delivering material throughout the day, delivering material in different vehicles, or sending other persons in the same vehicle to the scale with “split loads,” or two or three people in one vehicle and saying each person is individually selling their own material.

A noncertified recycler should not be confused with a consumer. The definition of a noncertified recycler is a person, entity, or operation which is not certified by the department and which purchases empty beverage containers from consumers, or from dropoff or collection programs. (PRC §14520.6) The key difference between a non-certified recycler and a consumer is that a noncertified recycler *purchases the empty containers*, and does not purchase the product for consumption.

Multiple transactions by the same person should raise a “red flag” to the recycler. Where is all this material coming from? Is the customer bringing more than one load per day because they are aware of the limits and are trying to circumvent the regulations? You should question the customer regarding the source of the material. If the customer purchased the material elsewhere, that customer would be considered a noncertified recycler. No refund value may be paid to a noncertified recycler for empty beverage containers regardless of the weight of the material received. If it is discovered that a recycler paid refund value to a noncertified recycler, the refund value received may be disallowed and civil penalties may be assessed.

## **F. OFF SITE PURCHASES - 14CCR Section 2500(h) and 2525(a-k)**

Operators of recycling centers may go off-site and pay refund value for empty beverage containers at churches, schools, businesses, and other community service organizations where beverages are consumed. However, **a written agreement between the parties must be in place prior to the pick-up.** A copy of the written agreement must be retained with other business records and contain at a minimum the following:

- ☞ The name, address, and certification number of the recycling center, as well as the name and phone number of a contact person at the recycling center; and
- ☞ The name and address of the organization to be served by the recycling center, as well as the name and phone number of a contact person at the organization; and
- ☞ Language, typed or legibly handwritten in English, which states the agreement between the recycling center and the organization and includes the material type of beverage containers to be picked up and the method of determining the weight of beverage containers picked up.

A receipt must be prepared and issued, regardless of the amount of the transaction. The receipt must be pre-numbered and include the following information:

- ☞ TOTAL WEIGHT OR COUNT OF MATERIALS RECEIVED
- ☞ TOTAL PAYMENT MADE OR AMOUNT PAID FOR EACH MATERIAL
- ☞ BASIS FOR PAYMENT (SW, SC, C, OR SP)
- ☞ CERTIFICATION NUMBER OF RECYCLING CENTER
- ☞ DATE OF SALE OR DONATION
- ☞ PRINTED NAME AND SIGNATURE OF CUSTOMER (CONTACT PERSON OF ORGANIZATION)
- ☞ THE NAME, ADDRESS AND PHONE NUMBER OF THE ORGANIZATION

Additionally, loads must not exceed the volume limits (500 pounds of aluminum or plastic, or 2,500 pounds of glass per day).

Under no circumstances may operators of recycling centers go off-site to pick up materials and pay refund value to individuals.

## **G. REJECTED CONTAINERS - 14CCR Section 2525(h) and 2530(f)(4)**

Rejected containers are those containers that are either broken on the line, broken while the container is being made, or broken while the bottle/can is being filled on a production line (line breakage); defective and discarded by the container manufacturer; out-of-code or outdated beverages which must be emptied; damaged in a warehouse awaiting sale to a retailer; and/or damaged prior to sale and returned to the distributor for credit.

No refund value is payable by a recycler for these types of containers. When rejected containers are purchased or accepted for recycling, a receipt must be issued to the seller, indicating the weight of the material received, the date received, and any payment made (scrap). A notation that the containers were rejected containers should be documented on the receipt. A copy of the receipt must be provided to the seller and retained by the recycler.

The weight of the rejected material must NOT be included in the received weight shown on the shipping report.

## **H. DUAL CERTIFIED ENTITIES - 14CCR Section 2105**

If you are certified to operate a recycling center and a processing facility at the same location, you may not receive material from other certified entities (other recyclers, dropoff and collection programs, community service organizations, and curbside programs) *as a recycler*. Material received from other than consumers **MUST** be receipted as a processor, showing the "PR" certification number on all supporting documentation (including receipts and shipping reports).

# III.

## Preparation & Maintenance of Required Records



## **A. RECEIPTS AND LOGS - 14CCR Section 2525(a) and (b)**

Receipts and logs are the basis for substantiation of claims for reimbursement of refund value paid out by recycling centers to consumers. Therefore, properly recording the basis for payment, weight and payment information for individual transactions is essential.

Every receipt issued and/or log entry completed must contain the customer's printed first and last name and signature. It is acceptable for the attendant to ask the customer their name and print it on the receipt or log. It is also acceptable to have the customer's printed name computer generated. However, the customer must sign his or her name (first and last).

Transactions of \$100.00 or more in refund value, for all material purchased, require that a receipt be prepared containing all of the following:

### **1. RECEIPTS - Section 2525(a)**

- (a) PRESS PRE-NUMBERED  
(OR COMPUTER GENERATED USING AN UNALTERABLE NUMBERING SYSTEM\*)
- (1) TOTAL WEIGHT OR COUNT
- (2) TOTAL PAYMENT MADE OR AMOUNT PAID FOR EACH MATERIAL TYPE
- (3) BASIS FOR PAYMENT
  - SW= segregated and weighed (100% CRV containers)
  - SC= segregated and counted (100% CRV containers)
  - C = commingled (mix of CRV and nonCRV containers - same material type)
  - SP= scrap (nonCRV containers - same material type)
- (4) CERTIFICATION NUMBER OF RECYCLING CENTER
- (5) DATE OF SALE OR DONATION
- (6) PRINTED NAME AND SIGNATURE OF CUSTOMER
- (7) ADDITIONAL IDENTIFYING INFORMATION
  - valid driver's license number and state of issuance; or
  - valid vehicle license number and state of issuance
  - California identification number (only if driver or vehicle license number not available)
  - if none of the above is available, an explanation of why must be provided for each applicable transaction

\* Receipts produced by an automatic computer-generated numbering system that cannot be altered by the operator or any employees of the recycling center are also acceptable, provided all required information is included.

*(Sample receipt is included on the following page.)*

# SAMPLE RECEIPT

Recycler

Receipt No.: **0001**

Certification No.:

**RC0001**

Recycler Name &

**ABC Recyclers**

Date: **1/21/2006**

Address (Optional)

Material	Basis	Total Weight or Count	Price Per Pound (Optional)	Total Refund Value (Optional)	Total Paid	Indicate if Rejected or Out-of-State Containers
AL	SW	140.0			\$ 173.60	
GL	C	70.5			\$ 4.58	
BIMETAL						
#1 (PETE)	SC	15 (s)			\$ 0.60	
#2 (HDPE)	SC	4 (s)			\$ 0.16	
#3 (PVC)						
#4 (LDPE)						
#5 (PP)						
#6 (PS)						
#7 (OTHER)**						

**Grand Total:**

**\$178.94**

**\*\* INCLUDES MULTILAYER AND OTHER UNSPECIFIED RESINS**

Basis:

SW - Segregated by Weight

SC - Segregated by Count

s = 24 oz or less; b = over 24 oz.

C - Commingled

SP - Scrap

**Seller's**

**Signature:**

*Hugh Grant, Jr.*

**Printed**

**Name:**

Hugh Grant, Jr.

**I.D. #**

CA DL# N6111111 (expires 3/7/08)



- **RECEIPTING SCRAP ONLY PURCHASES**

Receipts must be prepared and retained for scrap transactions such as rejected containers, line-breakage, or out-of-state containers. The above scrap purchases must be noted on the receipt. The receipt must indicate whether rejected, line breakage, or out-of-state.

- **RECEIPTING OFF SITE PURCHASES**

Purchases made at places other than the recycler's premises must be on pre-numbered receipts regardless of the amount of the transaction. The name, address, and name of the contact person for the church, school, or business, and other community service organizations where beverages are consumed should also be indicated on the receipt. Off site pick-up from individual residences is prohibited.

- **ADDITIONAL RECEIPTING REQUIREMENTS**

- \* All certified recycling centers, other than reverse vending machines, **must maintain the original of any receipt or log records.**
- \* All reports, claims, notices and supporting documentation must be completed using permanent ink and must be legible. All errors must be corrected using a single line through the error. Do NOT use correction fluid and Do NOT scribble out errors.
- \* Records must be stored at the address identified by the operator, stored in a secured area and protected from debris, moisture, contamination, hazardous waste, fire and theft.
- \* Records must not be stored in an unprotected or open area or in a motor vehicle or in a location where the records are likely to become contaminated, damaged or stolen.

## **2. LOGS - Section 2525(b)**

Transactions of less than \$100.00 in refund value and scrap transactions (***NOT rejected containers, line-breakage, or out of state***) may be recorded on a payment log instead of on a press pre-numbered receipt.

- (1) TOTAL WEIGHT OR COUNT
- (2) TOTAL PAYMENT MADE OR AMOUNT PAID FOR EACH MATERIAL TYPE
- (3) BASIS FOR PAYMENT (SW, SC, C, OR SP)
- (4) CERTIFICATION NUMBER OF RECYCLING CENTER
- (5) DATE OF SALE OR DONATION
- (6) PRINTED NAME AND SIGNATURE OF CUSTOMER
- (7) ADDITIONAL IDENTIFYING INFORMATION (MAY BE SUBSTITUTED FOR THE CUSTOMER'S PRINTED NAME)

*A sample payment log is shown on the following pages.*

- **RECORDING ANONYMOUS DONATIONS**

Donated materials are those materials for which the recycling center does not pay either CRV or scrap value. These materials are left at the site anonymously while the site is closed or specifically donated to the recycler at other times. Donated materials must be recorded on logs or receipts and may only be reimbursed at the commingled rate **IF** the donated materials contain CRV labeled containers. If the material has only a segregated rate associated with it, the recycler may claim the segregated rate for the donated material as long as material is all CRV.

- **CALCULATING/ RECORDING SHRINKAGE**

Certified recyclers must inspect each load of containers to determine California Refund Value (CRV) eligibility. If the load is contaminated, the recycler or seller should attempt to remove any visible debris. For remaining contamination that cannot be removed, such as dirt or moisture, the recycler should refer to 14CCR, Section 2500(e)(1)(B) regarding the seller's "rights." The recycler should estimate the percent of contamination or shrinkage in the load and, if the seller agrees to a reduced price, reduce the payment rate by this percentage. The customer must be made aware of the reduction to ensure their right to take back the containers. Please note that the reduction **MUST** be applied to the CRV rate per pound and **MAY** be applied to the scrap rate per pound.

**The example illustrates how to apply the shrinkage to both the CRV and scrap rates.**

**EXAMPLE:** A consumer brings in a 25-pound load of segregated aluminum that is determined to be 5% contaminated after debris has been removed. The recycler is paying \$1.35 per pound for segregated aluminum. To determine the adjustment amount, the 5% shrinkage rate is applied to the CRV paid per pound of \$1.24 (prevailing CRV rate per pound) and the remaining scrap value paid per pound of \$0.11 (\$1.35-\$1.24). After multiplying the rates by the 5% adjustment, the CRV paid per pound would be reduced by \$0.06 (\$1.24 x 0.05) and the scrap value paid per pound would be reduced by \$0.01 (\$0.11 x 0.05).

The CRV paid per pound would be listed as \$1.18 (\$1.24-\$0.06), and the scrap value paid per pound would be listed as \$0.10 (\$0.11-\$0.01) for a total of \$1.28 (\$1.18+\$0.10) paid per pound.

	Rate per Lb Before Adjustment	Shrinkage Calculation 5%	Rate per Lb After Adjustment	Total Payment After Adjustment
CRV	1.24	$1.24 \times 0.05 = 0.06$	$1.24 - 0.06 = 1.18$	$25 \text{ lbs} \times 1.18 = 29.50$
Scrap	0.11	$0.11 \times 0.05 = 0.01$	$0.11 - 0.01 = 0.10$	$25 \text{ lbs} \times 0.10 = 2.50$
Total	1.35	0.07	1.28	32.00

(Note: the figures are rounded to two decimal places)

Applying the shrinkage adjustment to the rate as opposed to the weight will be reflected in the total refund value in the daily summary. For shipping report completion, you should add up the total refund value from the daily summaries for the materials shipped. The redemption weight should be calculated by dividing the total refund value paid in the period by the prevailing CRV rate per pound.

\*\*\*The California refund value rates used in this example are based on rates effective January 1, 2006 and are subject to change.

## LOG SHEET

### Basis Legend

QBC's (Other Beverage Containers)

Date: January 21, 2006

## Bimetal

**Bimetal**  
P#2 - HDPE (High Density Polyethylene) P#6 - PS (Polystyrene)

Address (optional)

### C - Commingled (Mix of CRV and Non-CRV)

P#3 - PVC (Vinyl)

SP - Scrap Only (Non-CRV Containers)

**P#4 - LDPE (Low Density Polyethylene)**

**P#5 - PP (Polypropylene)**

[illegible]

	SW	SC	C	SP	TP-AL	SW	SC	C	SP	TP-GL	SW	SC	C	SP	TP-PL	SW	SC	C	SP	TP
10.0	10.0	25.0	20.0	\$11.95	4 (b) 10.63	\$2.42	8.0	14.4 (b)	\$2.42	\$6.64	0.5	7 (a)	3.0	\$0.49	\$51.20					

## Totals

\*\*\* Bimetal and each resin type must be recorded as separate commodities on the daily summary report. These totals will not meet the daily summary requirements.

Recycler Name

Address (optional)

### Basis Legend

SW - Segregated by Weight

SC - Segregated by Count

C - Commingled (Mix of CRV and Non-CRV)

SP - Scrap Only (Non-CRV Containers)

OBC's (Other Beverage Containers)

## Bimetal

**P#2 - HDPE (High Density Polyethylene)**

P#3 - PVC (Vinyl)

**P#4 - LDPE (Low Density Polyethylene)**

Date:

1

[illegible][illegible]

Totals

\*\*\* Bimetal and each resin type must be recorded as separate commodities on the daily summary report. These totals will not meet the daily summary requirements.

## **B. DAILY SUMMARY REPORT - 14CCR Section 2525(i)**

REPORTS ARE TO BE PREPARED DAILY AND MUST INCLUDE:



**Total Weight Received by Material Type**

Total Weight = Segregated + commingled + scrap material



**Total Refund Value Paid**

Total Refund = Segregated Refund Value + Commingled Refund Value

The total weight and corresponding refund value must be documented for *each day of the shipping report period*. In order to show that shipping reports are based upon receipts and logs as required by Title 14 of the California Code of Regulations (14CCR), Section 2530(c), it is suggested that clear cutoff indications be made on the summary report, especially for those shipping reports that contain material from partial days' receipts.

A "cutoff indication" means the recycler writes on the daily summary report how much of the total weight received for the day is being shipped. What receipts and logs are represented in the material being shipped? For example, looking at the sample daily summary on page III.11 the recycler is ready to ship material to the processor on January 22, 2006. There is only room on the delivery truck for 4,134.4 pounds. There was 1,098.7 pounds of aluminum received on January 22, 2006. The last shipping report prepared was for purchases through January 18<sup>th</sup> and there was 314.1 pounds left in inventory (carryover). The inventory at the end of January 18 (314.1 lbs.) plus the weight received on the 19<sup>th</sup> through the 22<sup>nd</sup> total 4,283.1 lbs. That means there is 148.7 pounds of aluminum received on January 22 that must remain in inventory (4,283.1 - 4,134.4). The total weight of from the 22<sup>nd</sup> (1,098.7) less 148.7 will be included with the shipment on the 22<sup>nd</sup> (950.0 lbs.). The beginning date for the receipt and log period for the next shipping report is January 22, 2006, but only the redemption weight associated with 148.7 pounds will be included on the next shipping report (130.3 in redemption weight).

It is also suggested that the total weight of each basis of payment be shown on the summary report, making it easier to match the information from the receipts or logs to the summaries. You should also be sure to include all donated materials and scrap purchases on the summaries. All numbers should be double-checked before recording them on the summaries.

*A sample daily summary format is shown on the following pages:*

## 1. HOW TO CALCULATE REFUND VALUE ON THE DAILY SUMMARY

If the recycler records the amount of refund value paid on the receipt and/or log, the refund value on the summary should agree with the sum of the refund value paid for each material type. The recycler would simply add the refund value paid for each material and record it on the daily summary.

The amount of refund value paid is not required on the receipt or log. If the recycler chooses not to include this information on the receipt and/or log, at end of each day the total weight by basis must be summed. Once the recycler knows the total weight purchased by basis, the refund value can be calculated.

In the following example, refund value rates in effect on January 1, 2006 were used:

### ALUMINUM:

01/21/2006	150.0	pounds segregated
	25.0	pounds commingled
	20.0	pounds non redemption beverage containers (scrap)
Total Weight:	<u>195.0</u>	total aluminum pounds purchased (enter on daily summary)

---

Refund Value:	150.0	(segregated rate of \$1.24) =	\$186.00
	25.0	(commingled rate of \$1.13)=	\$28.25
	20.0	(scrap has no refund value) =	<u>\$ 0.00</u>
Total Refund Value:			<u>\$214.25</u>

In addition to the total weight, you may also record the weight purchased by basis. It is very important to consider each basis of payment (segregated, commingled and scrap), by material type when determining how much redemption weight and refund value will be included on each shipping report.

## **2. HOW TO CALCULATE THE REDEMPTION WEIGHT ON THE DAILY SUMMARY**

Only the total weight and refund value is required on the daily summary. However, it may be helpful for the recycler's quality control purposes to calculate the redemption weight on a daily basis. If the redemption weight is not calculated daily, it must be calculated at the time of shipping report preparation.

Divide the total refund value for the period by the segregated rate per pound. The result is the weight of the redemption containers purchased for the period.

Using the aluminum example on the previous page:

Redemption Weight :

$$\begin{array}{rcll} \$214.25 \text{ total refund value} & \div & (\text{segregated rate of } \$1.24) & = & 172.8 \text{ pounds} \\ & & & & \text{redemption weight} \end{array}$$

In this example, redemption weight means that of the 195.0 total pounds purchased on January 21, 2006:

172.8 pounds are containers that are eligible for refund value

and

22.2 pounds are containers that are NOT eligible for refund value (this amount includes the non-CRV containers as well as other food and drink packaging of the same material type received from the customer).



**DAILY SUMMARY Daily Refund Value:**

Total Wt. x Rate/lb. = RV per basis

**Redemption Weight:**

Tot. Refund Value	/	Segregated Rate/lb.	=	Redemption Weight
-------------------	---	---------------------	---	-------------------

**\* Sample RV calculations for 1/19/05 purchases:**

<b>ALUMINUM (lbs.)</b>	Segregated	289.0	\$1.24	\$358.36
	Commingled	750.0	\$1.13	\$847.50
	Scrap	0.0	0.00	0.00
<b>Totals:</b>		1,039.0		\$1,205.86

**\* Sample RW calculation for 1/19/05 purchases:**

\$1,205.86	/	\$1.24	=	972.5
------------	---	--------	---	-------

Date	Seg	Used Carryover	Comm	Used Carryover	Scrap	Used Carryover	TOTAL WEIGHT	Refund Value	Used Carryover	Redemption Weight	Shipping Report #	Received Weight
1/18/2005	582.4	582.4	339.1	100.0	75.0	75.0	996.5	\$1,105.36	\$835.18	673.5	60111111	
1/19/2005	289.0	289.0	750.0	750.0	0.0	0.0	1,039.0	\$1,205.86	\$1,205.86	972.5		
1/20/2005	1,360.0	1,360.0	200.5	200.5	75.8	75.8	1,636.3	\$1,912.97	\$1,912.97	1542.7		
1/21/2005	150.0	150.0	25.0	25.0	20.0	20.0	195.0	\$214.25	\$214.25	172.8		
1/22/2005	1,014.7	950.0	72.0	0.0	12.0	0.0	1,098.7	\$1,339.59	\$1,178.00	950.0	60111112	
								\$				
								\$				
								\$				
								\$				
								\$				

Date	Seg	Used Carryover	Comm	Used Carryover	Scrap	Used Carryover	TOTAL WEIGHT	Refund Value	Used Carryover	Redemption Weight	Shipping Report #	Received Weight
								\$				
								\$				
								\$				
								\$				
								\$				
								\$				
								\$				
								\$				
								\$				
								\$				
								\$				
								\$				
								\$				
								\$				
								\$				

To obtain the total segregated weight (redemption weight), add the calculated refund value (RV) for materials purchased by weight and count, then divide the sum by the segregated RV rate per pound.

### **3. CONVERTING COUNTED PURCHASES TO WEIGHT**

The daily summary report must show the total weight purchased per day. When a purchase is made by count, or per container basis, the number of containers must be added by material type, converted to weight, and included in the total weight with purchases of the same material. (Note: A recycling center must count up to 50 containers or less, of each material type, *if* the customer requests payment by count.)

THE PREFERRED METHOD FOR DETERMINING THE WEIGHT OF THE COUNTED CONTAINERS:

#### ***Method #1***

1. Add the total number of containers purchased each day, by material type and size.
2. Multiply the number of containers by the amount of refund value payable per container.

The refund value per container rates as of January 1, 2006 were as follows:

Aluminum, Glass, Plastic, and Bi-Metal refund value = \$0.04 per container less than ( < ) 24 oz. and \$0.08 per container 24 oz. or more (  $\geq$  ).

3. Divide the total refund value paid by the segregated rate per pound. The result is the calculated total weight of counted containers.

An example of converting count to weight using method #1:

On January 17, 2006, 45 PETE (#1 plastic) beverage containers were purchased by count. 15 of the containers were less than 24 ounces and 30 were 24 ounces or more. The rates used in these examples are those in effect on January 1, 2006.

15 containers x \$0.04 refund value per container = \$0.60 refund value paid. 30 containers x \$0.08 refund value per container = \$2.40 refund value paid. The total refund value of \$3.00  $\div$  \$0.69 refund value per pound = 4.3 pounds.

In this example, the weight of the containers is 4.3 pounds.

AN ALTERNATIVE METHOD FOR DETERMINING THE WEIGHT OF THE COUNTED CONTAINERS:

**Method #2**

1. Add the total number of containers purchased each day, by material type.
2. Divide the total number of containers by the Division's published number of containers per pound.

The number of containers per pound as of January 1, 2006 were as follows:

Aluminum	=	29.5
Glass	=	1.83
Bimetal	=	8
#1 PETE Plastic	=	12.8
#2 HDPE Plastic	=	5.6
#3 PVC Plastic	=	9.8
#4 LDPE Plastic	=	41.6
#5 PP Plastic	=	9
#6 PS Plastic	=	69.8
#7 OTHER Plastic	=	11.3

An example of converting count to weight using method #2:

On January 17, 2006, 45 PETE (#1 plastic) beverage containers were purchased by count. 15 of the containers were less than 24 ounces and 30 were 24 ounces or more. The rates used in these examples are those in effect on January 1, 2006.

$$45 \text{ containers} \div 12.8 \text{ containers per pound} = 3.5 \text{ pounds}$$

In this example, the weight of the containers is 3.5 pounds. The difference of 0.8 pound using this method is due to the rounding of refund value on a weighed basis.

Using this method, you may not receive the same amount of refund value that was paid to consumers ( $3.5 \times \$0.69 = \$2.42$ ). This will vary depending on the rate in effect at the time, the material type purchased, and the weight of each container.

Whichever method you choose to use, you should be consistent (either use method #1 or #2, but do not use both).

Please note: When reporting weight, the weight should be reported in the nearest 1/10<sup>th</sup> of a pound (i.e. 200.85 lbs = 200.9 lbs and 200.84 lbs = 200.8 lbs.)

## **C. SHIPPING REPORTS (DR-6) - 14CCR SECTION 2530**

Shipping Report (DR-6) forms are completed for each delivery of material between:

- ⇒ One certified recycling center and another certified recycling center (even if they are affiliated)
- ⇒ A certified recycling center and a certified processor (even if it is a dual certified location)
- ⇒ A certified recycling center and a certified dropoff or collection program
- ⇒ A certified recycling center and a certified community service program
- ⇒ A certified recycling center and a registered curbside program

Key factors when preparing shipping reports are:

- DETERMINING the cutoffs (which receipts and logs are associated with the material being shipped)
- ACCURATELY summing the daily summary information (receipts and logs) for the period indicated
- ACCURATELY calculating the refund value and posting that number to the shipping report
- ACCURATELY calculating and posting the corresponding redemption weight

The SHIPPING RECYCLER must complete the top portion of the DR-6 ("Recycler Payment Request Information") and sign and date the DR-6. The Recycler Payment Request Information section of the DR-6 MUST be completed by the shipping recycler PRIOR to delivery of the material. Below are different methods for completing shipping reports.

**NOTE: A separate DR-6 must be prepared for each plastic resin type (#1 - #7)**

### **PROCEDURE #1**

This procedure is for all material types. For the reporting period, add up the daily refund value paid, as recorded on the Section 2525(i) daily summaries. Divide this total by the applicable segregated rate per pound and post the resulting number (rounded to one decimal place) as the redemption weight. The appropriate reporting period should be recorded onto the DR-6.

### **PROCEDURE #2**

This procedure is for glass. Obtain a copy of the weight ticket from the processor:

- a. Go back to your daily summaries and block off the appropriate amount of weight to match the weight received by the processor, including segregated, commingled, and scrap transactions.

- b. Then determine the amount of refund value paid for these transactions and place the figure in the refund column.
- c. Calculate the redemption weight by dividing the refund value by the segregated rate per pound.
- d. Since this method does not take shrinkage (moisture and contamination) into consideration, it will be necessary for the recycler to periodically reconcile its book inventory to its physical inventory and write off its excess book inventory amount of receipts/logs.

### **PROCEDURE #3**

This procedure is for baled aluminum or plastic. Determine which receipts and logs are to be used to complete the shipping report **BEFORE** you arrive at the processor's or other recycler's location.

- As the materials are baled or densified, mark the date of purchase on the bale (e.g., bale tag or spray paint). When a shipment of materials is prepared, enter the total refund value from your daily summaries for all days that are included in the shipping report as indicated on the bales.
- An alternative is to weigh the bales as they are loaded on the truck for delivery to the processor or other recycler. The total weight purchased or accepted (including segregated, commingled and scrap) from your daily summaries equal to the weight being shipped will be used to determine the cutoff date to use in preparing the shipping report. The oldest receipt and log date would be used first. If only a portion of the last day's receipts are used in the shipment, the remaining weight (and that date) will be carried over to the next shipping report.
- Another alternative is to weigh the inventory that is not being shipped. Keep enough receipts that are equal to the purchased weight for this remaining inventory. All other receipts (using the oldest date first) will be taken from your daily summary and used to prepare the shipping report that will accompany the load to the processor or other recycler. The remaining inventory consists of bales not shipped, material remaining in the densifier or baler, plus any loose material on hand at the time of shipment (it may be necessary to estimate the weight of material in the densifier or baler).

It is suggested that the method used to determine the cutoff point and prepare the shipping report be documented, especially if different methods are used for different material types. This will help ensure consistency in completion of DR-6s and will be valuable if employees assigned this responsibility leave or go on vacation.

DEPARTMENT OF CONSERVATION  
DIVISION OF RECYCLING  
**RECYCLER OPERATING & RECORDKEEPING MANUAL**

If you have any questions about the method(s) you choose, you can send a written description to your local Division field office (see page I.1 for addresses) and ask us to respond to your questions.

If the certified recycling center is receiving material from another certified recycling center, the bottom portion of the DR-6 is completed by the RECEIVING RECYCLER. If the recycling center is receiving material from a certified dropoff or collection program, certified community service program, or registered curbside program, it is the RECEIVING RECYCLER'S responsibility to complete the ENTIRE shipping report. Payment for these programs is based upon weight delivered at either the statewide-commingled rate or the shipper's individual commingled rate.


NOTE: Purchases of materials from out-of-state, rejected containers, or line breakage are to be handled as non-CRV pre-consumer scrap. When selling material from these sources to another certified recycler or processor, the weight of this material must be identified. Although this type of non-CRV material may be shipped with other materials received, the weight of this material must not be included in the received weight shown on the shipping report.

Detailed instructions on completing shipping reports are included in the Participant Manual you received when you were certified. If you need a supply of shipping reports please send a written request to:

PRPS Unit - Order Department  
IKON Business Information Services  
P.O. Box 277880  
Sacramento, CA 95827

or FAX your request to (916) 638-0909

---



---

The following page shows an example of a DR-6 completed using information from the sample daily summary report that was completed on page III.11.

- \* The material being shipped is: ALUMINUM
- \* The period covered by the shipping report is: 1/18/06 through 1/22/06
- \* There is material left from 1/18/06 that was not included in the last shipment
- \* There is also material purchased on 1/22/06 that will not be shipped and therefore will not be included on this DR-6. (Please note the carry-over shown on the daily summary report).

FOR STATE USE ONLY

PROCESSOR CCN



PRINTED ON RECYCLED PAPER

FOR STATE USE ONLY

CCN

FOR STATE USE ONLY

ATTACHED TO CCN

## SHIPPING REPORT

STATE OF CALIFORNIA – The Resources Agency  
DEPARTMENT OF CONSERVATION  
Division of Recycling  
DR-6 (11/05)

FOR STATE USE ONLY

## COMPLETED BY SHIPPER:

COMPANY  
NAME

ABC RECYCLERS

ADDRESS

500 Orange Ave

Sacramento, CA 95814

CERT. #

RC0001

CONTACT  
PERSON

Joe Smith

TELEPHONE  
NUMBER

(916) 799-0001

## RECEIVER INFORMATION

COMPANY  
NAME

International Processors

CERT. #

PR9966

MATERIAL  
TYPE

Aluminum

AMENDMENT TO FSN

## RECYCLER PAYMENT REQUEST INFORMATION

	REDEMPTION WEIGHT (LBS)	REFUND
FROM Receipts & Logs	3,855.9	\$4,781.32
FROM Shipping Reports or Consolidated Reports		
TOTAL	3,855.9	\$4,781.32

Receipt &amp; Log Entries For

01 18 06

Thru

01 22 06

Number of Attachments  
or Consolidated Shipments

## COMPLETED BY RECEIVER

## RECEIVER PAYMENT ANALYSIS

Weight Ticket #	Received Wt. (Lbs.)	Refund Value (C)	Processing Pymt. (D)	Subtotal Due (C+D)
			ADMINISTRATIVE FEE	
Received Date:	Completed by receiver only:	% of Reduction Taken	TOTAL PAYMENT DUE	
			QGIS	% OF SHRINKAGE

Civil penalties of up to five thousand dollars (\$5,000.00) per day may be assessed for violation of the laws and regulations governing this report. In addition, the submission of false information with intent to defraud is a crime punishable by substantial fines, up to three years imprisonment, or both. Knowing this, I certify under penalty of perjury that the facts presented herein are true and correct to the best of my knowledge.

Joe Smith / CEO

APPROVED FOR PAYMENT Shipper's Signature/Title

Joe Smith

Shipper's Printed Name

01/22/06

Date

Receiver's Signature/Title

Receiver's Printed Name

Date

60111112



## **D. WEIGHT TICKETS**

When material is received from consumers, it is weighed or counted. The weight is recorded on a receipt or log. When material is received from other certified entities, even if affiliated, it must be weighed. Documentation of the weight received is maintained in the form of a weight ticket. Weight tickets must be prepared for every load of containers delivered to the recycler by another recycler, dropoff or collection program or curbside program. If a load contains more than one material type, each material type must be weighed separately and a weight ticket prepared for each type of material or the weight of each material type received must be separately identified on the weight ticket. The weight obtained must be from a scale or other device that has been approved, tested, and sealed in accordance with Division 4 of the Business and Professions Code (Weights and Measures) and any applicable regulations and ordinances.

In those cases where the processor does not take physical delivery of the material, the received weight shall mean the weight received by the entity where the material is physically delivered.

Weight tickets ***MUST*** include:



Date the material was received



The name of the seller, and if applicable, the certification number of the seller



Material type



Total weight received, and if applicable, tare and net weight

Documentation of the weight of any shrinkage adjustments (the weight deducted for contamination or moisture in the load for which no scrap value or refund value is payable) and dunnage (wire, strapping, or other means of packaging the material for storage and/or transport) should be shown on the weight ticket.

There should also be documentation of the weight of out-of-state containers, rejected containers, and/or line-breakage included in the load of material. The indication of this weight can be shown as a notation on the weight ticket or other form of receipt, and should be maintained with the recycler's copy of the weight ticket or shipping report (DR-6). *Remember to notify the purchaser (other certified recycler or processor) of this weight as it is not to be included on the DR-6.*

**A COPY OF THE WEIGHT TICKET MUST BE PROVIDED TO THE SELLER, EVEN IF SELLING FROM ONE AFFILIATED RECYCLING CENTER TO ANOTHER AFFILIATED RECYCLING CENTER.**

## **E. CANCELLATION, CANCELLATION AUTHORIZATION AND PROOF OF CANCELLATION**

Certified processors are required to cancel material. Cancellation is the act of removing the refund value so it cannot be claimed a second time. This may be done using several methods. Please refer to the information below for methods of cancellation.

Processors may authorize operators of recycling centers to cancel material on their behalf. The processor must apply for an “authorization to cancel” from the Department of Conservation, pursuant to CCR2110(b). A recycler cannot cancel material, by any of the methods described below, without a valid authorization to cancel, issued by the Department of Conservation. A recycler cannot receive payment for materials which have not been delivered to a processor unless an authorization to cancel has been issued by the Department and cancellation is verified in accordance with CCR2420(d) and CCR2430(a)(5). The recycler must maintain a copy of the letter of authorization received from the processor. Additionally, proof that the material was cancelled must be maintained. This may include weight tickets for material purchased and sold, shipping reports, inventory records, bills of lading, etc.

### **METHODS OF CANCELLATION**

Aluminum	shredding or densification to at least 30 lbs. per cubic foot.
Glass	substantially cleaned of non-glass contaminants and crushed to uniform size (must be accepted by willing user without further processing).
Plastic	original form altered so that physical reconstitution is impossible.
Bimetal	densification that is sufficient to ensure that separation is impossible, or shredded, milled, or nuggeted.
All Materials	any empty beverage containers shall be deemed canceled when it is <u>permanently exported from the state</u> and delivered to a <u>location of end use</u> . (If aluminum is delivered to a location of end-use or shipped out of state, densification must be not less than 15 lbs. per cubic foot. Cancellation of glass can be satisfied by shipment to a benefiting processor.)

## **PROOF OF CANCELLATION**

### SHIPMENTS BY SEA

On Board Bill of Lading is required to show proof of cancellation

### PERMANENTLY EXPORTED OUT-OF-STATE

Receipt issued by the person receiving the shipment and any applicable bill of lading is required to show proof of cancellation

### SHIPMENTS TO AN END USER

Receipt issued by the person receiving the shipment and any applicable bill of lading is required to show proof of cancellation

The person performing the cancellation must sign a declaration that cancellation has been achieved. The declaration must identify the materials being cancelled, indicate the date of cancellation and the method of cancellation.

# IV. Consolidated Shipping Report



## **A. CONSOLIDATED SHIPPING REPORTS - 14CCR Section 2090(f)**

Shipping reports must be completed for each delivery of material received. In an effort to simplify the accounting and reporting process, the Department allows recyclers to report a summary of purchase volumes and refund values on one shipping report. If you receive frequent deliveries from more than one dropoff or collection, community service, or curbside program, or if you operate more than one certified recycling center, you may apply, in writing, to the Department for approval to become a consolidated reporter. After being approved, you will submit two different forms when reporting: a detail form and summary shipping report (DR-6).

The detail forms must meet the following specifications:

- SIX (6) LINES PER INCH (VERTICAL)
- TEN (10) CHARACTERS PER INCH (HORIZONTAL)
- EACH LINE MUST BE DOUBLE-SPACED
- PRINTED ON 8 1/2 X 11 OR 11 X 14 INCH PAPER
- THE PRINT MUST BE LEGIBLE
- THE PRINT MUST BE DARK ENOUGH TO BE PHOTOCOPIED
- RIGHT MARGIN SHOULD BE AT LEAST ONE INCH WIDE

The detail form is prepared essentially the same as any normal DR-6. The main difference is that the consolidated has an "ADJUSTED REDEMPTION WEIGHT" column. This column shows the received weight on any DR-6 that was reduced because the "% of reduction taken" exceeded 2½% (1.025). In other words, the redemption weight claimed is not supported by the weight delivered because shrinkage occurred between the time the material was purchased and the time it was sold, and the difference is greater than 1.025. The detail form does not have spaces for showing the received date, weight ticket #, or the "% of reduction taken" boxes. If material is received from dropoff or collection programs, community service programs, or curbside programs, the date the material is received must be entered in the receipt and log "from and to" dates.

The totals for redemption weight and refund value are posted on the middle line of the summary DR-6. The name, address, and certification number (RC8XXX) to use on the DR-6 will be included in the approval letter issued by the Division.

***A sample detail form and summary shipping report (DR-6) is shown on the following pages.***

Name: 123 Recycling  
 Address: 123 Recycle Way  
 Recycling, CA 12345  
 Cert. #: RC8XXX

Material Type: Glass  
 Ship Report #: 62998XXX  
 # Of Shipments: 5

Shipper Cert #	Receipt & log Dates	Received Weight	Redemption Weight	Adj. Red. Weight	Refund Value	QGIP Program	Total Payments
CSXXXX	1/31/2006	6,602.6	3,260.5	3,260.5	\$264.10	R	\$264.10
CSXXXX	1/31/2006	7,286.3	3,598.2	3,598.2	\$291.45	R	\$291.45
CSXXXX	1/31/2006	4,580.2	2,261.8	2,261.8	\$183.21	R	\$183.21
CSXXXX	1/31/2006	3,005.8	1,484.3	1,484.3	\$120.23	R	\$120.23
RCXXXX	1/1/06-1/31/06	667.9	599.9	599.9	\$48.59		\$48.59
Totals		22,142.8	11,204.8	11,204.8	\$907.59		\$907.59

(Note: This example was produced using a 10pt-12pt. font, double spaced. The paper size is 8.5x11 with landscape formatting.)  
 (Also, the weight is rounded to a tenth of a pound) See 14CCR, Section 2090(f)(3)(B)(1-20) for general information.)  
 \*IF ANY PAYMENTS MADE TO RECYCLERS WERE REDUCED DUE TO THE RECEIVED WEIGHT BEING LESS THAN THE  
 REDEMPTION WEIGHT BY MORE THAN 2.5%, INDICATE THE REDUCED REDEMPTION WEIGHT AND REFUND VALUE  
 (AND PROCESSING PAYMENT, IF APPLICABLE).

"R" indicates the reciever, and "S" indicates the shipper.

FOR STATE USE ONLY

PROCESSOR CCN



PRINTED ON RECYCLED PAPER

FOR STATE USE ONLY

CCN

FOR STATE USE ONLY

ATTACHED TO CCN

## SHIPPING REPORT

STATE OF CALIFORNIA – The Resources Agency  
DEPARTMENT OF CONSERVATION  
Division of Recycling  
DR-6 (11/05)

FOR STATE USE  
ONLY

## COMPLETED BY SHIPPER:

COMPANY  
NAME**123 RECYCLING**

ADDRESS

**123 Recycle Way****Recycling, CA 12345**

CERT. #

**RC8XXX**CONTACT  
PERSON**Sally Joe**TELEPHONE  
NUMBER**(916) 123-4567**

## RECEIVER INFORMATION

COMPANY  
NAME**International Processors**

CERT. #

**PR9966**MATERIAL  
TYPE**Glass**

AMENDMENT TO FSN

--	--	--	--	--	--	--	--	--	--

## RECYCLER PAYMENT REQUEST INFORMATION

	REDEMPTION WEIGHT (LBS)	REFUND
FROM Receipts & Logs		
FROM Shipping Reports or Consolidated Reports	<b>11,204.8</b>	<b>\$907.59</b>
TOTAL	<b>11,204.8</b>	<b>\$907.59</b>

Receipt &amp; Log Entries For

--	--	--

Thru

--	--	--

Number of Attachments  
or Consolidated Shipments**5**

## COMPLETED BY RECEIVER

## RECEIVER PAYMENT ANALYSIS

Weight Ticket #	Received Wt. (Lbs.)	Refund Value (C)	Processing Pymt. (D)	Subtotal Due (C+D)
<b>54321</b>	<b>22,142.8</b>	<b>\$907.59</b>	<b>\$468.81</b>	<b>\$1,376.40</b>
ADMINISTRATIVE FEE				<b>\$6.81</b>
TOTAL PAYMENT DUE				<b>\$1,383.21</b>
QGIS				% OF SHRINKAGE

Received  
Date:**1 31 06**Completed by  
receiver only:

--

% of  
Reduction Taken

Civil penalties of up to five thousand dollars (\$5,000.00) per day may be assessed for violation of the laws and regulations governing this report. In addition, the submission of false information with intent to defraud is a crime punishable by substantial fines, up to three years imprisonment, or both. Knowing this, I certify under penalty of perjury that the facts presented herein are true and correct to the best of my knowledge.

*Sally Joe / CEO*

APPROVED FOR PAYMENT Shipper's Signature/Title

*Jay Evans / Manager*

Receiver's Signature/Title

**Sally Joe**

Shipper's Printed Name

**Jay Evans**

Receiver's Printed Name

**01/31/06**

Date

**01/31/06**

Date

**62998XXX**

05/01/06

IV.3

# V. Glossary





## **KEY TERMS AND ABBREVIATIONS**

The following represent some of the terms and abbreviations found in this manual. Please refer to 14CCR, Section 2000 and/or PRC Chapter 2 for further definitions.

<b>14CCR</b>	Title 14, Division 2, Chapter 5 of the California Code of Regulations - Regulations for Natural Resources, Department of Conservation, Division of Recycling.
<b>COMMINGLED</b>	A mix of CRV containers sold in California and other containers of the same material type. All broken glass empty beverage containers purchased from consumers, dropoff or collection programs or community service programs shall be deemed commingled. [14CCR, Section 2000(a)(10)]  Please note that #1 plastic (PETE) through #7 plastic (OTHER) are not the same material composition and therefore not considered the same material type. A mixture of different #1-#7 plastic is considered contamination and may be rejected by the recycler or processor.
<b>CRV</b>	California Refund Value - the minimum amount paid by a certified recycling center to a consumer for empty beverage containers redeemed. [PRC, Section 14524]
<b>DELIVERED / DELIVERY</b>	Delivered or delivery means physically taking possession of the material. [14CCR, Section 2000(a)(14)]
<b>DONATIONS</b>	Beverage containers or other food and drink packaging material that is accepted for recycling for which the person delivering the material does not accept payment of any sort (scrap or CRV).
<b>DR-6</b>	Shipping Report
<b>DR-7</b>	Processor Invoice
<b>DUNNAGE</b>	Loose packing of any bulky material put around cargo for protection (may also include strapping and wire).
<b>LINE BREAKAGE</b>	Pre-consumer material that is recycled or disposed of by a container manufacturer, beverage manufacturer, distributor or dealer. [14CCR, Section 2000(a)(27.6)]

<b>NONCERTIFIED RECYCLER</b>	A noncertified recycler is a person, entity, or operation who is not certified by the Division of Recycling and who purchases empty beverage containers from consumers, including bars and restaurants, or from dropoff or collection programs. [PRC Section 14520.6]
<b>PLASTIC CONTAINER</b>	<p>A container which has a body consisting primarily of plastic. There are seven plastic container types that may contain beverages subject to refund value. They are:</p> <p>1 = PETE or PET (polyethylene terephthalate) 2 = HDPE (high density polyethylene) 3 = V or PVC (vinyl) 4 = LDPE (low density polyethylene) 5 = PP (polypropylene) 6 = PS (polystyrene) 7 = OTHER (includes multilayer and other unspecified resins)</p>
<b>PRC</b>	Public Resources Code, Division 12.1 – California Beverage Container Recycling and Litter Reduction Act.
<b>PROCESSOR</b>	Any person, including a scrap dealer, who purchases or offers to purchase empty beverage containers from more than one recycling center in this state and is responsible for canceling empty beverage containers in a manner prescribed in 14CCR, Section 2000(a)(4). [14CCR, Section 2000(a)(35)]
<b>PROCESSOR INVOICE</b>	A report required by 14CCR, Section 2425, which the Department uses to determine payment to a certified processor. [14CCR, Section 2000(a)(35.1)]
<b>RECEIVED WEIGHT</b>	The weight actually delivered, less the weight of out-of-state containers, line-breakage, and rejected containers.
<b>RECYCLING CENTER</b>	An operation that is certified by the Department and which accepts from consumers, and pays CRV for empty beverage containers intended to be recycled. [PRC Section 14520]. Also includes the definition of “nonprofit convenience zone recycler” [PRC Section 14514.7] and the definition of “rural region recycler” [PRC Section 14525.5.1]
<b>REDEMPTION WEIGHT</b>	The weight of empty California redemption-labeled beverage containers. [14CCR, Section 2000(a)(39)]

<b>REJECTED CONTAINER</b>	A CRV labeled beverage container, which a container manufacturer or beverage manufacturer elects to recycle or dispose of without paying any applicable processing fee, or which a distributor elects to recycle or dispose of without paying the redemption payment. Also includes components which are labeled. [14CCR, Section 2000(a)(41)]
<b>SCRAP</b>	Any recyclable container, including food or drink packaging material, other beverage containers, other nonredeemable containers, out-of-state beverage containers, line breakage or rejected containers, of the same material composition as redeemable containers covered by the Act. [14CCR, Section 2000(a)(41.2)]
<b>SEGREGATED</b>	A load, divided by material type, that consists of 100% California refund value material. [14CCR, Section 2000(a)(43)]
<b>SHIPPING REPORT</b>	The documentation of the receipt of material by a processor, or by a recycling center from another recycling center, dropoff or collection program, community service program, or curbside program. The shipping report is the basis for payments by the Division pursuant to Section 14573 of the Act. [14CCR, Section 2000(a)(44)]
<b>SHRINKAGE</b>	The reduced value due to contamination of empty beverage containers by dirt, moisture, or other foreign substances. [14CCR, Section 2000(a)(45)]
<b>UBC</b>	Used beverage container
<b>USED BEVERAGE CONTAINER (also referred to as “EMPTY BEVERAGE CONTAINER”)</b>	A beverage container that has the seal or closure installed by the manufacturer broken or removed, does not contain foreign materials other than the residue of the beverage that was originally packaged in the beverage container by the manufacturer, is labeled with the CRV message, and has a refund value established. [PRC Section 14512]